

Two Gateway Center
Newark, NJ 07102

February 29, 2000

To: The Parties on the Attached Service List

Re: In the Matter of the Establishment of a Universal Service Fund

Pursuant to Section 12 of the Electric Discount and Energy

Competition Act of 1999 Docket No. EX00020091

At its regularly scheduled agenda Meeting on February 28, 2000, the Board determined to initiate a generic proceeding to establish a "Universal Service Fund" (Fund), pursuant to Subsection 12.b of the Electric Discount and Energy Competition Act of 1999 (Act). Specifically, the Act establishes within the Board a nonlapsing Fund, and requires the Board to determine the following:

- 1) the level of funding and the appropriate administration of the Fund;
- 2) the purposes and programs to be funded with monies from the Fund;
- 3) which social programs shall be provided by an electric utility as part of the provision of its regulated services which provide a public benefit;
- 4) whether the funds appropriated to fund the "Lifeline Credit Program", the "Tenants' Lifeline Assistance Program", the funds received pursuant to the "Low Income Home Energy Assistance Program (LIHEAP)", and funds collected by the electric and natural gas utilities to off-set uncollectible bills, should be deposited in the Fund; and
- 5) whether new charges should be imposed to fund new or expanded social programs.

Before recommending a specific procedural schedule to the Board for its consideration, the Board's Staff will first hold a preliminary "kick-off" meeting with, at a minimum, the electric and natural gas utilities, the Division of the Ratepayer Advocate, the Department of Human Services, and other interested parties to

discuss the above areas of determination, to suggest other potential topics, and to develop a workable schedule. The matter will thereafter be returned to the Board's Agenda for consideration of a procedural schedule and Order.

This letter is to advise you that the kick-off meeting will be held on Thursday, March 9, 2000, at 10:00 a.m., in the Board's Hearing Room at the Board's Newark office. If you have any questions, please contact Mr. Lawrence Gentieu at (973) 648-7318.

Very truly yours,

____SIGNED____ Edward D. Beslow Acting Secretary

EDB/gr Attachment (Service List)

I/M/O the Establishment of a Universal Service Fund Pursuant to Section 12 Of the Electric Discount and Energy Competition Act Docket No. EX 00020091

Service List

J. David McCann Atlantic Electric 6801 Black Horse Pike Egg Harbor Township, NJ 08234

Michael Filippone GPU Energy 300 Madison Ave. Morristown, NJ 07960

Francis E. Delany Public Service Electric & Gas Co. 80 Park Plaza P. O. Box 570 Newark, NJ 07101

Frank P. Marino Consolidated Edison 4 Irving Place New York, NY 10003

Thomas Kaufmann Elizabethtown Gas Co. One Elizabethtown Plaza P. O. Box 3175 Union, NJ 07083-1875

Timothy C. Hearne New Jersey Natural Gas Co. 1415 Wyckoff Road P. O. Box 1464 Wall, NJ 07719

David Kindlick South Jersey Gas Co. No. 1 South Jersey Plaza Route 54 Folsom, NJ 08037 Jim Dieterle AARP Forrestal Village 132 Main Street Princeton, NJ 08540

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